

Spenddown Changes KEESM 9121

Consumer

Must report changes within 10 days of the date the change becomes known to the household.

- changes in income source
- changes in income amount
- when resources exceed limits
- change in household composition - marriage, divorce, separation
- changes in residence - move into institution or hospital
- loss of disability status determined by SSA
- entitlement to or termination of Medicare coverage
- change in third party insurance plan
- decrease in health insurance premium amounts
- transfer of resources

Must provide information/verification within 10 days of written notice.

EES Staff

Must act on the change within 10 days after the date the change is reported by taking the following actions:

- ✓ Document in the case file the reported change, the date the change occurred, the date the change was reported
- ✓ Determine if additional information or verification is required
- ✓ Request needed information
- ✓ Determine eligibility or benefits

Effective Date Of Change

Changes are effective the month following the month of the change, given timely and adequate notice requirements.

- Use code cards for 10 day timely notice deadlines
- The MMIS system also knows the timely notice deadlines and will not allow a negative action if it is after timely notice deadline.

Increasing a spenddown requires timely and adequate notice regardless of whether the spenddown is met or unmet.

Example

Nolan Ryan has an open MS-IL case with an unmet spenddown of \$357 for the months of February to July. He decides to take a part-time job coaching little league baseball through his city's parks and recreation department. He calls you on May 25th to report that he will begin coaching June 1st, will be paid \$8.50 per hour, will work 10 hours a week, and will be paid weekly on Friday.

You convert his new wage information and enter it onto KAECSSES in the month of July (because timely notice cannot be given to add the income in June). Nolan's unmet spenddown is increased by the additional wages, so you send him a notice regarding the higher spenddown amount.

Example

Carlos Delgado has an open MS-IL case. He has met his spenddown of \$545 for the months of July to December.

Carlos calls you on August 26th to tell you he was been hired to be a local spokesperson for Rascal Automatic Scooters. He is paid a monthly salary of \$400 to make two appearances per month. All travel and accommodations related to the appearances will be covered by the company. He received his first check August 20th for appearances he will make this month.

The additional income will increase the spenddown, so we have to give him timely and adequate notice about the increased spenddown. We enter the additional wage information on KAECSSES for the month of October, in order to comply with timely notice guidelines.

Spenddown Changes & The MMIS

The interChange MMIS system keeps a record of all the times a spenddown for a particular base period changes. To view this record just access the Spenddown Liability window in the MMIS system.

Spenddown Liability screen

Spenddown Liability			
File Edit Applications Options Addtl Options			
Case Number:	00000018	Case Name:	JONES, CHIPPER H.
Base Period Start Date	Base Period End Date	Amount	Date Effective
2003/09/01	2004/02/28	\$3010.00	2003/11/01
		\$3000.00	2003/10/01
		\$2850.00	2003/09/01
		\$2900.00	2003/09/01
2003/03/01	2003/08/31	\$2850.00	2003/04/01
		\$2800.00	2003/03/01
Exit			

Decreasing a spenddown only requires adequate notice regardless of whether the spenddown is met or unmet.

Changes that can cause a decrease in the spenddown amount are:

- decrease in earned or unearned income
- someone leaves household due to death, divorce or separation
- base period is shortened

When changes are made on KAECSSES that affect the spenddown amount, the new spenddown remaining amount figure is transferred to the MMIS system when you authorize the change on the MSID and SPEN screens for the current month (or last paid month on KAECSSES).

A Met Spenddown is Reduced

What Happens To The MMIS System -

When the remaining spenddown figure from KAECSSES is reduced?

- The MMIS will react to this change by sending the case to the adjustment unit.
- The adjustment unit must go through all the claims and first apply claims in which it has been identified there is no potential for provider payment (beneficiary billed claims and provider billed claims in which payment is denied).
- After all of the claims with no potential provider payment are applied, the adjustment unit begins to apply expenses in which there is a potential for provider payment (PPP) until the reduced spenddown is satisfied.
- Claims not used to satisfy the spenddown in which there is a potential for provider payment will be adjusted and paid according to Medicaid rules.
- The MMIS system will generate a new spenddown summary notice and send it to the consumer to inform them of the bills that were used to satisfy the spenddown.
- The EES worker will get an alert that the spenddown has been met.

Example - Medicaid only

Ray Kinsella's total spenddown was \$900 for February to July. His worker allowed a due and owing bill on the **MEEX** screen reducing the remaining spenddown to \$700. Since his approval, Ray has had a check up with his doctor and filled some prescriptions at the pharmacy. These expenses were applied to his spenddown through the provider billing process and the spenddown was met. MMIS sent Ray and the EES worker the spenddown summary notice detailing the expenses used to meet the spenddown.



Ray Kinsella on KAESES and MMIS Systems

MEEX MEDICAL EXPENSES 030104 08:55
WORKER 1

CASE NAME: Kinsella, Ray CASE NUMBER: 000000124
BASE PERIOD: 0204 - 0704
SPENDDOWN: 900.00 REMAINING SPND: 700.00 REM REC AMT: 0.00

POS ON APP	NAME	PROVIDER INFORMATION	DATE OF SERVICE	TOTAL CHARGE	CLIENT OBLIGATION
01	RAY K	DUE AND OWING.....	110103	...200.00	...200.00
		DR..FEELGUD.D.D.S.....		

Spenddown Claim

File Applications

Case Number: 00000124 Case Name: KINSELLA, RAY

Total Spenddown Amount \$ 700.00 Base Period 2004/02/01 - 2004/07/31 Remaining Amount: \$0.00

Seq	ICN	PPP	Bene ID	First Name	Provider Name	FDOS	TDOS	Applied Amount
0001	2003092000012	Y	00100000011	RAY	PIKLER GEORGE M	2004/02/10	2004/02/10	\$125.00
0002	2003093003003	N	00100000011	RAY	DILLONS #67	2004/02/10	2004/02/10	\$ 25.00
0003	2003093003006	Y	00100000011	RAY	DILLONS #67	2004/02/25	2004/02/25	\$350.00
0004	1103093001006	Y	00100000011	RAY	PIKLER GEORGE M	2004/02/25	2004/02/25	\$200.00
Total Amount Applied:								\$700.00

Exit

In May, Ray's wife, Annie, broke her leg. She is coded **DI** on his case, since she isn't elderly or disabled. Ray wants these expenses used for his spenddown so that the pharmacy charges and other expenses he has incurred can be paid for by Medicaid. He sends his case worker \$700 in bills related to Annie's injury.

The worker goes to **MEEX** to apply the bills, KAECSSES reflects a remaining spenddown of \$700 even though there have been other expenses used to meet the spenddown in the interChange MMIS system. The worker enters Annie's expenses on **MEEX** which reduces the spenddown to \$0.00 in KAECSSES. The last paid month is re-authorized on KAECSSES and then the worker sends a notice to Ray letting him know that Annie's bills have been applied and his spenddown is adjusted.

That evening KAECSSES sends the change to MMIS. MMIS will recognize that a previously met spenddown has now been reduced. The case is sent to the adjustment unit. They review the claims previously received to determine if any have a potential for provider payment (PPP). If so, they adjust those claims so that they are paid according to Medicaid rules and notify Ray. If not, the amount applied to spenddown is changed to \$0.00 and these expenses may be allowed on future base periods if they are still due and owing.

NOTE: The Spenddown Claim window will not change until after the adjustment unit completes their work. After, all adjustments are made the information on this window will disappear, since the spenddown was met entirely on KAECSSES.

An Unmet Spenddown Is Reduced

What Happens To the MMIS System -

When the remaining spenddown figure from KAECSSES is reduced?

- **If the reduced spenddown amount continues to be unmet (regardless of whether any claims have been received or not),** no further action is necessary. Future claims that are received are applied to the remaining spenddown amount.
- **If the reduced spenddown amount becomes met,** the MMIS will react by sending the case to the adjustment unit.
 - The adjustment unit must go through all the claims and first apply claims in which it has been identified there is no potential for provider payment (beneficiary billed claims and provider billed claims that are denied).
 - After all of the non-PPP expenses are applied, the adjustment unit applies expenses in which there is a potential for provider payment (PPP) until the spenddown is satisfied.
 - The MMIS system will generate a spenddown summary notice and send it to the consumer to inform them of the bills that were used to satisfy the spenddown. A spenddown met alert is sent to the EES worker.

Example: Reduced Spenddown Remains Unmet

Steve Balboni has a spenddown of \$1,200 for the months of July through December. His spenddown is not met when he calls to report that the Professional Baseball Players Retirement Fund miscalculated his pension benefit. His pension will go down by \$25 per month. He reports the change August 1st and the change will become effective September 1st.

You decrease Mr. Balboni's spenddown from \$1,200 to \$1,100 effective September 1st, re-authorize the case to make sure the change is sent to the MMIS with the daily file, and send a notice to Mr. Balboni about his decreased spenddown.

The MMIS system receives the decreased spenddown amount and continues to apply claims to the spenddown as they are received. When the spenddown is satisfied, the MMIS sends a Spenddown Summary notice to the consumer and a copy of the notice to the EES worker.

Example - Medicaid only: Reduced Spenddown Is Met

Amos Otis has a total spenddown of \$1,209 for March to August. He has been taking his medical card to all of his providers and they have billed Medicaid for all his medical services. Amos' last spenddown weekly notice says the remaining spenddown amount is now \$125.

Amo's Current KAECSSES Information

SPEN		SPENDDOWN		021506 10:26	
BASE PERIOD: 0306 - 0806				ALLEN M	
CASE NAME: OTIS, AMOS		CASE NUMBER: 00014335		QMB	
MMYY	COUNTABLE INCOME	AMT OF PIL	COUNTABLE INCOME	QMB PIL	
0306	676.50	475.00	0.00	798.00	
0406	676.50	475.00			
0506	676.50	475.00			
0606	676.50	475.00			
0706	676.50	475.00			
0806	676.50	475.00			
TOTAL INCOME :		4059.00	RECOVERABLE AMT:		
TOTAL PIL :		2850.00			
SPENDDOWN :		1209.00	OVERRIDE SPND : ..1209.00 VR: .. PEND:		
MED EXPENSES :		0.00			
REM SPENDDOWN:		1209.00	COST OF CARE > REMAINING SPENDDOWN: .		
BENEFIT AUTHORIZATION:					
REVIEW THROUGH:					
BASE MONTH(S) FAILED NON-FINANCIAL ELIGIBILITY FOR QMB					
EACH BASE MONTH PASSED ELIGIBILITY OR IS SUSPENDED					
				NEXT-->	

Amo's Current MMIS Spenddown Claim Information

Spenddown Claim								
File Applications								
Case Number: 00000125		Case Name: OTIS, AMOS						
Total Spenddown Amount \$1209.00		Base Period 2006/03/01 - 2006/08/31			Remaining Amount: \$125.00			
Seq	ICN	PPP	Bene ID	First Name	Provider Name	FDOS	TDOS	Applied Amount
0001	2003092000012	Y	00100000088	AMOS	DILLONS #67	2006/03/15	2006/03/15	\$ 74.00
0002	2003093003003	N	00100000088	AMOS	DOTSUN HENRY T	2006/03/15	2006/03/15	\$200.00
0003	2003093003006	Y	00100000088	AMOS	COTTON O'NEIL CLINIC	2006/04/01	2006/04/01	\$100.00
0004	1103093001006	N	00100000088	AMOS	MARIAN WALLACE P	2006/04/01	2006/04/01	\$700.00
Total Amount Applied:								\$1,084.00
Exit								